

## Message Text

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64

ORIGIN NEA-12

INFO OCT-01 IO-14 ISO-00 TRSE-00 EB-11 ABF-01 OMB-01 L-03

H-03 SS-20 AID-20 IGA-02 AGR-20 SSO-00 RSC-01 /109 R

DRAFTED BY NEA/INS:DWBORN:MMK  
APPROVED BY NEA:LBLAINGEN  
TREAS:SCANNER (PARA 1 AND 3)  
EB/IFD/OIA:MKENNEDY (PARA 1)  
EB/IFD/ODF:MCASSE (SUBS)  
M/FRM/FM:RWHITENER (PARAS 2 AND 4)  
NEA/INS:DKUX  
OMB:AIVORY (PARA 2) (SUBS)  
L/NEA:ATBROWN  
H:KJENKINS (PARA 1)

----- 019863

O P 040218Z DEC 73  
FM SECSTATE WASHDC  
TO AMEMBASSY NEW DELHI IMMEDIATE  
INFO USMISSION USUN NEW YORK PRIORITY

C O N F I D E N T I A L STATE 236926

USUN PASS MOYNIHAN

E.O. 11652: GDS  
TAGS: EFIN, IN  
SUBJ: RUPEES: SUBSTANTIVE ISSUES

REF: (A) NEW DELHI 14035; (B) NEW DELHI 14084; (C)  
STATE 236135; (D) NEW DELHI 14056; (E) NEW DELHI 13995

1. SURPLUS PROPERTY. SETTLEMENT OF A DOLS TWO MILLION  
ISSUE NATURALLY APPEARS TO BE RATHER  
UNIMPORTANT NEXT TO A SETTLEMENT TOTALING WELL OVER  
THREE BILLION DOLLARS. YET IT IS PRECISELY IN THIS AREA OF  
DEBT COLLECTION THAT WE FACE OUR MOST SERIOUS PROBLEMS  
WITH CONGRESS AT PRESENT. IT WILL BE ENORMOUSLY HELPFUL  
WITH CONGRESS IF WE CAN POINT TO THE COLLECTION OF THIS  
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DEBT OR AT LEAST TO A RESOLUTION OF THIS ISSUE AS A

FURTHER ADVANTAGE OF CONCLUDING OUR RUPEE SETTLEMENTS- SPECIFICALLY WE BELIEVE RESOLUTION OF THIS LONG-STANDING CLAIM WITH INDIA WILL BE OF GREAT USE WITH CONGRESSMAN MOORHEAD'S SUB-COMMITTEE ON FOREIGN OPERATIONS AND INFORMATION. THIS IS NOT TO OVERLOOK THOSE OTHER MEMBERS OF CONGRESS WHO FIND PERSUASIVE SENATOR BYRD'S ARGUMENTS WELL-KNOWN TO YOU, OR THOSE OF WILBUR MILLS, WHO INTRODUCED LAST YEAR A RESOLUTION REQUIRING PROMPT SETTLEMENT OF ALL OUTSTANDING FOREIGN DEBT OWED USG. AGAINST THIS INTENSE CONGRESSIONAL INTEREST IN DEBT SETTLEMENT ISSUES, PLEASE OBTAIN INDIAN CONCURRENCE TO THE INCLUSION OF THE PREAMBULAR PARAGRAPH.

THE INDIANS MAY WELL WISH TO ARGUE THE MERITS OF THEIR POSITION. IF SO, THEN SET A DEADLINE FOR RESOLVING THE SURPLUS PROPERTY ISSUE BEFORE THE CONTEMPLATED SIGNATURE DATE OF THE RUPEE SETTLEMENT, BUT GIVE US THIS TALKING POINT WITH CONGRESS IN A FORM WE CAN USE WHEN THE RUPEE SETTLEMENT IS UNDER REVIEW BY THE RELEVANT COMMITTEES.

2. INTERNATIONAL TRANSPORTATION. PLEASE RECONFIRM GOI ACCEPTANCE OF THIS SPECIFIC ITEM AS AN ESTABLISHED USE. YOU MAY WISH SEE THIS MENTIONED, PERHAPS AS AN EXAMPLE OF AN ESTABLISHED USE, IN LETTER OF TRANSMITTAL.

3. INFLATION. 'COMMENSURATE' ACCEPTABLE.

4. INTERNATIONAL ORGANIZATIONS. WE UNABLE IDENTIFY ANY PRESENTLY-EXISTING FORMAL REQUIREMENT FOR CONSULTATION WITH GOI, MUCH LESS GOI VETO OVER USG USE OF RUPEES FOR CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS, AS INDICATED PARENTHETICALLY IN PARA 7 REFTTEL (A). IDENTIFICATION OF ANY SUCH EXISTING FORMAL EXPRESSION GOI VETO COULD BREAK LOG JAM HERE. PLEASE ADVISE.

5. AGRICULTURE INFORMS US THAT LAWYERS THERE HAVE RESOLVED TO THEIR SATISFACTION LEGAL ISSUES (1) AND (3) CITED PARAGRAPH 6 REFTTEL (C) AND EXPECT HAVE DECISION ON ISSUE (2) BY COB DECEMBER 4.  
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6. MOV - WILL OFFER SUGGESTED LANGUAGE SEPTTEL.

7. RE REF (D) PARA 1, WE CONCUR IN FULL. RE REF (D) PARA 3, WE FELT WE SHOULD NOT PROVIDE FOR SUCH CHANGES, BUT IF EMBASSY CONSIDERS SUCH PROVISION DESIRABLE, "CATEGORIES" SHOULD BE CHANGED TO "SECTORS". BUT THEN, IN PARA 5, THESE MUST BE REFERENCES TO "NEW SECTORS"

PROVIDED FOR IN PARA 4 (B) OF THIS PART I". IN ANY CASE,  
SUGGEST "CATAGORIES" BE CHANGED TO "SECTORS" THROUGHOUT  
PARA 4 (B)

8. RE REF (C) PARA 2, WE STILL FEEL ALL THESE NUMBERS  
ARE UNNECESSARY AND ASKING FOR TROUBLE, BUT WILL NOT  
INITIATE A GRIEVANCE PROCEEDING ON THS SUBJECT. KISSINGER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AGREEMENTS, RUPEE, EXCESS FOREIGN EXCHANGE  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 04 DEC 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** garlanwa  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973STATE236926  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** DWBORN:MMK  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** n/a  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19731246/aaaabhsj.tel  
**Line Count:** 123  
**Locator:** TEXT ON-LINE  
**Office:** ORIGIN NEA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:**  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** (A) NEW DELHI 14035; (B) NEW DELHI 1, 4084; (C)  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** garlanwa  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 19 DEC 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <19-Dec-2001 by shawdg>; APPROVED <08 MAR 2002 by garlanwa>  
**Review Markings:**

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**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** RUPEES: SUBSTANTIVE ISSUES  
**TAGS:** EFIN, IN, US  
**To:** NEW DELHI  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005